

191—21.5 (515I) Procedures for qualification and renewal of a nonadmitted insurer as an eligible surplus lines insurer.

21.5(1) *Application and procedures for initial qualification of a nonadmitted insurer as an eligible surplus lines insurer.*

a. Any nonadmitted insurer who wishes to qualify under Iowa Code chapter 515I as an eligible surplus lines insurer shall make an application.

b. The nonadmitted insurer's application shall contain the following information, which also is listed on the division's Web site:

(1) A completed National Association of Insurance Commissioners Uniform Certificate of Authority Application (NAIC UCAA) Expansion Application, available through the division's Web site or through the NAIC Web site, www.naic.org/industry.

(2) The name of an Iowa-licensed resident insurance producer qualified in Iowa to write surplus lines insurance, whom the nonadmitted insurer is designating as the person to accept inquiries and notices on behalf of the nonadmitted insurer.

(3) Remittance of the greater of a \$100 filing fee or a retaliatory fee, and a \$500 examination fee for all new applicants.

c. In addition to the above requirements, the insurer shall:

(1) Maintain the greater of either minimum capital and surplus of \$5 million or risk-based capital pursuant to Iowa Code chapter 521E, and

(2) Have been actively in operation for at least three years without significant changes in ownership or management during the three-year period.

These financial and management requirements may be waived by the division upon a finding that the insurer will be offering coverage in a line of insurance for which there is an unavailability of capacity and an extraordinary need for coverage in this state. The division may require other information as deemed necessary.

21.5(2) *Procedures for renewal of a nonadmitted insurer as an eligible surplus lines insurer.* A nonadmitted insurer that is not an alien insurer as defined in Iowa Code section 515.70 and that was approved by the division as an eligible surplus lines insurer shall, by March 1 of each year following the year of approval:

a. Continue to comply with paragraph 21.5(1) "c";

b. Pay a \$100 renewal fee; and

c. Submit to the division the documents and materials listed on the division's Web site.

21.5(3) *Failure to comply.* Failure of a nonadmitted insurer to timely submit the materials required in this rule or to otherwise fail to comply with this rule shall result in the termination of the nonadmitted insurer's status as an eligible surplus lines insurer.